JOINT

Journal Entries in the Books of A

Date	Particulars	L/F	Debit Amount	Credit Amount
	① When A Sends Goods to B for Joint			
	Joint Ventures A/c ---- Dr		xx	
	To Goods Sent on Joint venture A/c			xx
	② When A pays Expenses To Send Goods on			
	Joint Ventures A/c ---- Dr		xx	
	To Bank A/c			xx
	③ When B pays Expenses on Receiving Goods			
	Joint Ventures A/c ---- Dr		xx	
	To B's A/c			xx
	④ When B Accepts a Bill Drawn by A			
	Bills Receivable A/c ---- Dr		10,000	
	To B's A/c			10,000
	⑤ When B's Acceptance is Discounted By A			
	Bank A/c ---- Dr		9400	
	Joint Ventures A/c ---- Dr		600	
	(For discount amount)			
	To Bills Receivable A/c			10,000
	⑥ When B Sells part of Goods for Cash:-			
	B's A/c ---- Dr		xxx	
	To Joint Venture A/c			xxx
	⑦ When B Sells part of Joint Venture Goods			
	B's A/c ---- Dr		10,000	
	To Joint Venture A/c			10,000
	⑧ When B charges commission on Sales			
	Joint Venture A/c ---- Dr		xxx	
	To B's A/c			xxx

VENTURES

Journal Entries in the Books of B

Date	Particulars	L/F	Debit Amount	Credit Amount
	Venture Business :-			
	Joint Ventures A/c ... Dr		xx	
	To A's A/c			xx
	Joint Venture :-			
	Joint Ventures A/c ... Dr		xx	
	To A's A/c			xx
	Sent by A for Joint Venture :-			
	Joint Ventures A/c ... Dr		xx	
	To Bank A/c			xx
	towards Advance :-			
	A's A/c ... Dr		10,000	
	To Bills payable A/c			10,000
	with his Bankers :-			
	Joint Ventures A/c ... Dr		600	
	To A's A/c			600
	Bank A/c ... Dr		xxx	
	To Joint Venture A/c			xxx
	on credit :-			
	Customers A/c ... Dr		10,000	
	To Joint Venture A/c			10,000
	of Joint Venture Goods as Agreed :-			
	Joint Venture A/c ... Dr		xxx	
	To Commission A/c			xxx

Books Of A

(9) When B takes some Goods of Joint

B's A/c ---- Dr		xxx	
To Joint venture A/c			xxx

(10) When 'B' collects Cash from Custome

Joint Venture A/c -- Dr		1000	
To B's A/c			1000

(11) When The unsold Goods on Joint Venture

Stock A/c ---- Dr		xxx	
To Joint Venture A/c			xxx

(12) When Joint venture account Finally Similarly if it shows Excess Cr or Dr loss shall be shared by There is profit on Joint

Joint Venture A/c --- Dr		xxx	
To profit & loss A/c			xxx
To B's A/c			xxx

Note When There is loss on Joint venture The

(13) When B Remitts Cash To A Finally To

Bank A/c ---- Dr		xxx	
To B's A/c			xxx

Accounts Required

1. Joint Venture A/c
2. Co-venturers Accounts

Books of B

Joint Venture	for his own use Agreed Valuation :—		
	Purchases A/c ---- Dr	xxx	
	To Joint Venture A/c		xxx
Except a	Customer proved to be Bad :-		
	Bank A/c ---- Dr	9000	
	Joint Venture A/c --- Dr	1000	
	To Customers A/c		10,000
	are returned by B To A :-		
	A's A/c ---- Dr	xxx	
	To Joint Venture A/c		xxx
Shows	Excess credit that is profit on joint Venture. debit it is loss on joint Venture. Then Such profit A & B as per the proportion Agreed on Joint Venture :-		
	Joint Venture A/c -- Dr	xxx	
	To profit & Loss A/c		xxx
	To A's A/c		xxx
Above	Entry in Both the Books is Reversed		
To	Settle his Account on close of the Venture		
	A's A/c ---- Dr	xxx	
	To Bank A/c		xxx
	Accounts Required		
	① Joint Ventures A/c		
	② Co-Venturers Accounts		

Journal Entries in the Books of A

Date	Particulars	LF	Debit Balances	Credit Balances
	Joint Venture A/c ---Dr		5000	
	To Stock A/c			5000
	(Being Stock Sent to B for Joint Venture)			
	Joint Venture A/c --Dr		250	
	To Bank A/c			250
	(Being Expenses on Joint Venture paid)			
	Joint Venture A/c. -Dr		650	
	To B's A/c			650
	(Being Expenses on Joint Venture paid by B)			
	B's A/c ---- Dr		3000	
	To Joint Venture A/c			3000
	(Being part of Joint Venture Goods sold by B)			
	B's A/c ---- Dr		1000	
	To Joint Venture A/c			1000
	(Being part of Joint Venture Goods taken by B for personal use in an Agreed value)			
	Stock A/c ---- Dr		1100	
	To Joint Venture A/c			1100
	(Being Stock the remaining Stock on Joint Venture returned by B)			
	Profit & Loss A/c --Dr		400	
	B's A/c ---- Dr		400	
	To Joint Venture A/c			800
	(Being Loss on Joint Venture Shared with B Equally)			
	Bank A/c --- Dr		3350	
	To B's A/c			3350
	(Being the Balance Received from B on A/c)			

Journal Entries in the Books of B :-

Date	Particulars	L/F	Debit Amount	Credit Amount
	Joint Venture A/c -- Dr		5000	
	To A's A/c			5000
	(Being Stock Sent by A for Joint Venture)			
	Joint Venture A/c -- Dr		250	
	To A's A/c			250
	(Being Expenses on Joint Venture paid by A)			
	Joint Venture A/c -- Dr		650	
	To Bank A/c			650
	(Being Expenses on Joint Venture paid)			
	Bank A/c ---- Dr		3000	
	To Joint Venture A/c			3000
	(Being part of Joint Venture Goods Sold for Cash)			
	Purchases A/c -- Dr		1000	
	To Joint Venture A/c			1000
	(Being part of Joint Venture Goods Purchased for own business in an Agreed Value)			
	A's A/c ---- Dr		1100	
	To Joint Venture A/c			1100
	(Being the Remaing Stock is Returned from)			
	Profit & Loss A/c -- Dr		400	
(Being Cash Remitted from B)	A's A/c ---- Dr		400	
	To Joint Venture A/c			800
	(Being Loss on Joint Venture Shared with A equally)			
	A's A/c ---- Dr		3250	
	To Bank A/c			3250

Dr LEDGER of B Joint Venture A/c Cr

Particulars	Amount	Particulars	Amount
To Stock A/c	5000	By B's A/c (Sale)	3000
To Bank A/c	250	By B's A/c (Stock Sale)	1000
To B's A/c	650	By Stock A/c	1100
		By ~~Loss~~ ~~Profit & Loss A/c~~ Loss Shared	800
		Profit & Loss A/c 400	
		B's A/c 400	800
	5900		5900

Dr B's A/c Cr

Particulars	Amount	Particulars	Amount
~~By B's~~		By Joint Venture A/c	650
To Joint Venture A/c	3000	By Bank A/c	3350
To Joint Venture A/c	1000	(Balance Received)	
To Joint Venture A/c	400		
	4400		4400

LEDGER

Joint venture A/c

Particulars	Amount	Particulars	Amount
To A's A/c	5000	By Bank A/c	3000
To B's A/c	250	By Purchases	1000
To Bank A/c	650	By A's A/c	1100
		By Loss Shared	
		Profit & Loss A/c 400	
		A's A/c 400	800
	5900		5900

A's A/c

Particulars	Amount	Particulars	Amount
To Joint venture A/c	1100	By Joint venture A/c	5000
To Joint venture A/c	4800	By Joint venture A/c	250
To Bank A/c (Balancing figure)	3750		
	5250		5250

2/Q-15 LEDGER of D

dt

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To Goods Sent on Joint Venture A/c	5000	By B's A/c	12000
To Bank A/c	400		
To B's A/c	4000		
To B's A/c	300		
To B's A/c (commission)	600		
To Profit Shared :-			
Profit & Loss A/c (4/5) 1360			
B's A/c (1/5) 340	1700		
	12000		12000

B's A/c

Dr

Particulars	Amount	Particulars	Amount
To Joint Venture A/c	12000	By Joint Venture A/c	4000
		By Joint Venture A/c	300
		By Joint Venture A/c	600
		By Joint Venture A/c (Share of profit)	340
		By Bank A/c (Balance Received	6760
	12000		12000

Ledger of B

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To A's A/c	5000	By Bank A/c (Sale)	12000
To A's A/c	400		
To Goods sent on Joint Venture A/c	4000		
To Bank A/c	300		
To Commission A/c (12000 × 5%)	600		
To profit shared :-			
Profit & Loss A/c (4/5) 340			
A's A/c (4/5) 1360	1700		
	12000		12000

A's A/c

Particulars	Amount	Particulars	Amount
By Bank A/c (Balance Remitted)	6760	By Joint Venture A/c	5000
		By Joint Venture A/c	400
		By Joint Venture A/c (Share of profit)	1360
	6760		6760

Ledger of Hiren

(4) Dr — Joint Venture A/c — Cr

date	particulars	Amount	date	particulars	Amount
1-10-05	To purchases A/c	85000	28-2-06	By Dhiren A/c	1,05,000
1-10-05	To Bank A/c	900			
1-10-05	To Bills Receivable A/c (Dis)	400			
3-10-05	To Dhiren A/c	1100			
28-10-05	To Dhiren A/c	900			
~~28-10-05~~	To profit shared:				
31-3-06	Profit & Loss A/c (1/2) 8350				
	Dhiren A/c (1/2) 8350	16700			
		1,05,000			1,05,000

Dr — Dhiren A/c — Cr

date	particulars	Amount	date	particulars	Amount
28-2-06	To Joint Venture A/c (sale)	105,000	1-10-05	By Bills Receivable A/c	40,000
			3-10-05	By Joint Venture A/c	1100
			28-10-05	By Joint Venture A/c	900
			~~28-10-05~~		
			31-3-06	By Joint Venture A/c	8350
			31-3-06	By Bank A/c	54650
		1,05,000			1,05,000

Ledger of Shiveri

Joint venture a/c

Date	Particulars	Amount	Date	Particulars	Amount
1-10-05	To Shiveri a/c	85000	28-2-06	By Bank a/c (bal)	1,05,000
1-10-05	To Shiveri a/c	900			
1-10-05	To Bill payable a/c				
4-10-05	To Shiveri a/c	400			
4-10-05	To Bank a/c	1100			
28-2-06	To Bank a/c	900			
31-3-06	To profit shared :				
	profit & loss (1/2) 8350				
	Shiveri a/c (1/2) 8350	16700			
		105000			1,05,000

Dr Shiveri a/c

Date	Particulars	Amount	Date	Particulars	Amount
1-10-05	To Bill payable a/c	40,000	1-10-05	By Joint venture a/c	85000
31-3-06	To Bank a/c	54650	1-10-05	By Joint venture a/c	900
			4-10-05	By Joint venture a/c	400
			31-3-06	By Joint venture a/c	8350
		94650			94650

5/Bcom Journal Entries in the Books of Satyam

date	particulars	LF	Debit Amount	Credit Amount
	Joint Venture A/c ---- Dr	✓	60,000	
	To purchases A/c			60,000
	(Being Goods purchased & Sent To Sivam on Joint Venture)			
	Joint Venture A/c ---- Dr	✓	1,600	
	To Bank A/c			1,600
	(Being Expenses on Joint Venture paid)			
	Sivam's A/c ---- Dr	✓	1000	
	To Bank A/c			1000
	(Being Rs 1000 Advance paid To Sivam)			
	Joint Venture A/c ---- Dr	✓	700	
	To Sivam's A/c			700
	(Being Expenses on joint venture paid by Sivam)			
	Sivam's A/c ---- Dr	✓	14,500	
	To Joint Venture A/c			14500
	(Being Sale on Joint Venture Made by Sivam)			
	Joint Venture A/c ---- Dr	✓	3,400	
	To ~~Joint Venture~~ A/c ~~Sivam's~~ Interest on Inv.			3,400
	(Being Interest Of Rs 3,400 Received on Investment)			
	Sivam's A/c ---- Dr	✓	2700	
	To Joint Venture A/c			2700
	(Being The Remaing Stock was taken over by Sivam)			

	Joint venture A/c --- Dr	✓	~~77500~~	~~3800~~
	To Sivam's A/c		~~38600~~ 3725	~~3800~~ 3725
	(Being commission on Sale charged to Joint venture in Agreed Value of 5% on Sale)			
	Joint venture A/c --- Dr	✓	7775	
	To profit & loss A/c			3887.5
	To Sivam's A/c			3887.5
	(Being profit on Joint venture Shared equally with Sivam)			
	Bank A/c ---- Dr		69887.5	
	To Shivam's A/c			69887.5
	(Being Balance Received from Shivam on Account)			

Ledger of Satyam

Dr Joint venture A/c Cr

Particulars	Amount	Particulars	Amount
To purchases A/c	60,000	By Sivam's A/c	74500
To Bank A/c	1600	~~By Bank A/c~~	~~3400~~
To Sivam's A/c	700	By Bank A/c Sivam's	2700
To Sivams A/c	~~3800~~		
To Sivam's A/c	3725		
To Sivam's A/c	3400		
To Shared profit:-			
profit & loss A/c 3887.5			
Sivam's A/c 3887.5	7775		
	77200		77200

Dr Shivani A/c

Particulars	Amount	Particulars	Amount
To Bank A/c	1000	By Joint Venture A/c	700
To Joint Venture A/c	74500	By ~~Joint Venture~~ A/c	~~3,400~~
To Joint Venture A/c	2700	By Joint Venture A/c	3725
		By Joint Venture A/c	3887.5
		By Bank A/c	69887.5
	78200		78200

Q.G-16 Ledger of A

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To purchases A/c	18500	By Bank A/c (sale)	6600
To Bank A/c (exp 210+130)	340	By B's A/c (sale)	13360
To B's A/c (exp)	1240	By Car's A/c (car taken)	2500
To Commission A/c (6600×5%)	330		
To B's A/c (loss)	668		
To profit Shared & profit & loss A/c 1/2) 691			
B's A/c (1/2) 691	1382		
	22460		22460

Dr B's A/c Cr

Particulars	Amount	Particulars	Amount
To Joint venture A/c	13360	By Bank A/c (Adv)	8,000
To B's A/c (commission)		By Joint venture A/c	1240
		By Joint Venture A/c	668
		By Joint venture A/c (profit)	691
		By Bank A/c (Balance Received)	2761
	13360		13360

LEDGER Of B

Dr Joint Venture A/c

Particulars	Amount	Particulars	Amount
To A's A/c	18500	By A's A/c (Sale)	6600
To A's A/c	340	By Bank A/c (Sale)	13,360
To Bank A/c (Exp Rs 180+330+630+100)	1240	By A's A/c (Car taken)	2500
To A's A/c (commission	330		
To Commission A/c (Rs 13360 × 5%)	668		
To profit Shared: profit & Loss A/c (1/2) 691			
A's A/c (1/2) 691	1382		
	22460		22460

Dr A's A/c

To Bank A/c (Adv)	8000	By Joint Venture A/c	18500
To Joint venture A/c	6600	By Joint Venture A/c	340
To Joint Venture A/c	2500	By Joint venture A/c	330
To Bank A/c (Balance Remitted	2761	By Joint Venture A/c (profit)	691
	19861		19861

Q.16 LEDGER OF Kanhilal

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To purchases A/c	30,000	By Mohanlal A/c (sale)	32000
To Bank A/c (Exp)	2400	By Mohanlal A/c (Sale Through consignment)	3500
To Mohanlal A/c (Exp)	1450	By Mohanlal A/c (Remaing Goods Taken)	2000
To profit Shared :			
Profit & Loss A/c (3/5)	2190		
Mohanlal A/c (2/5)	1460	3650	
		37500	37500

Mohanlal A/c

Dr			Cr
To Joint Venture A/c	32000	By Joint Venture A/c	1450
To Joint Venture A/c	3500	By Joint Venture A/c (profit)	1460
To Joint Venture A/c	2000	By Bank A/c (Balance Received	34590
	37500		37500

LEDGER of Mohanlal

Dr Joint Venture A/c

Particulars	Amount	Particulars	Amount
To Kantilal A/c	30,000	By Bank A/c (Sale)	32000
To Kantilal A/c	2400	By Bank (Sales thro consignment Net)	3500
To Bank A/c	1450	By Stock A/c (Remaining Goods Taken)	2000
To profit shared :-			
Profit & Loss A/c (2/5)	1460		
Kantilal A/c (3/5)	2190		
	3650		
	37500		37500

Dr Kantilal A/c

Particulars	Amount	Particulars	Amount
To Bank A/c (Balance remitted)	34590	By Joint Venture A/c	30,000
		By Joint Venture A/c	2400
		By Joint Venture A/c (profit)	2190
	34590		34590

B/S-17 Working Notes

A invested 1000 + 100 + 150 on 1-1-06
= 1250
∴ He should get interest for 4 months
from 1-1-06 to 30-4-06 @ 5%
There for Interest Receivable by A.

1250 × 5% × 4/12 = 21 Interest

A has pay Interest on his Takings of Rs 450 for one Month from 31-3-06 to 30-4-06 at 5% = Rs 450 × 5% × 1/12 = 1 Rupee 80 paise = 1.8

A has to pay Interest on Rs 2500 at 5%
for the month of April
= 2500 × 5% × 1/12

∴ A has pay Interest = 21.80 + 10.40
= 12.20 or Rs 12

∴ He should get Interest Net = 21
= 21 − 12 = 9 Interest

B has To Get Interest on his Investment at 5% for 750 + 80 3 Months from 1-2-06
To 30-4-06 = (750 + 80 + 50) × 5% × 3/12
= 880 × 5% × 3/12 = 11 Rs

He also has To Get Interest on Advance
Of Rs 450 Amounting To Rs 2
∴ Bhai To Get Interest 11 + 2 = 13

LEDGER OF A

DR

Joint Venture A/c

Date	Particulars	Amount	date	Particulars	Amount
1-1-06	To Goods sent on Joint venture A/c	1000	1-4-06	By Bank A/c (Sale)	2500
1-1-06	To Bank A/c (Exp) (100+150)	250			
1-2-06	To B's A/c	750			
1-2-06	To B's A/c	130			
30-4-06	To Interest A/c	9			
30-4-06	To B's A/c	13			
30-4-06	To profit shared:- profit & loss (1/2) 174 B's A/c (1/2) 174	348			
		2500			2500

DR

B's A/c

30-4-06	To Bank A/c (Balance ~~Receive~~ paid)	1517	1-2-06	By Joint venture A/c	750
			1-2-06	By Joint venture A/c	130
			31-3-06	By Bank A/c (Adv)	450
			30-4-06	By Joint venture A/c	13
			30-4-06	By Joint venture A/c (profit)	174
		1517			1517

(In the books of B)

Joint Venture A/c

Date	Particulars	Amount	Date	Particulars	Amount
1-4-06	To A's A/c	1000	1-4-06	By A's A/c	2500
2-4-06	To A's A/c	250			
2-4-06	To Goods Sent on joint venture A/c	750			
2-4-06	To Bank A/c (Exp 80+50)	130			
30-4-06	To A's A/c	9			
30-4-06	To Interest A/c	13			
30-4-06	To profit Shared:				
	Profit & Loss A/c (1/2) 174				
	A's A/c (1/2) 174	348			
		2500			2500

A's A/c

Date	Particulars	Amount	Date	Particulars	Amount
31-3-06	To Bank A/c (Adv)	450	1-1-06	By Joint Venture A/c	1000
1-4-06	To joint venture A/c	2500	1-4-06	By Joint venture A/c	250
			30-4-06	By Joint venture A/c	9
			30-4-06	By Joint venture A/c (profit)	174
			30-4-06	By Bank A/c (Balance Received)	1517
		2950			2950

9/G-17

Working Notes

Ram Investment = Rs 1000 × Rs 20 + 500

= 20,500

∴ Interest charged by Ram at 6% for 1-9-06 To 30-11-06

= 20,500 × 6/10 × 3/12

= 307 Rs 50 paise or 308

Ledger of Ram

JV — Joint venture A/c

date	particulars	Amount	date	particulars	Amount
1-9-06	To Goods Sent on Joint venture A/c (1000 × Rs 20)	20,000	1-10-06	By Hanuman A/c (Sale 200 × Rs 30)	6000
1-9-06	To Bank A/c (adv)	500	31-10-06	By Hanuman A/c (Sale 500 × 35)	17500
1-9-06	To Hanuman A/c	1000	15-11-06	By Hanuman A/c (Sale 200 × 45)	9000
15-11-06	To Hanuman A/c (6000 + 17500 + 9000 × 3-1.)	975	30-11-06	By Hanuman A/c (Goods Taken)	2500
30-11-06	To Interest A/c	308			
30-11-06	To profit shared :- profit & loss (1/2) 6109	12217			
	Hanuman A/c (1/2) 6108				
		35000			35000

JV — Hanuman

1-10-06	To Joint venture A/c	6000	1-9-06	By Joint venture A/c	1000
31-10-06	To Joint venture A/c	17500	15-11-06	By Joint venture A/c (commission)	975
15-11-06	To Joint venture A/c	9000	1-11-06	By Bank A/c	5000
30-11-06	To Joint venture A/c	2500	1-11-06	By Bank A/c (adv)	15500
			30-11-06	By Joint venture A/c (profit)	6108
			30-11-06	By Bank A/c (Balance Received)	6417
		35000			35000

LEDGER Of HANUMAN

Joint Venture a/c

Dr. Cr.

Date	Particulars	Amount	Date	Particulars	Amount
1-9-06	To Rani's a/c	20,000	1-10-06	By Bank a/c	6000
1-9-06	To Rani's a/c	500	31-10-06	By Bank a/c	17500
1-9-06	To Bank a/c (Exp)	1000	15-11-06	By Bank a/c	9000
5-11-06	To Commission a/c	975	30-11-06	By Stock a/c	2500
30-11-06	To Interest a/c	308			
30-11-06	To profit shared :-				
	profit & Loss a/c (1/2) Gain				
	Rani's a/c (1/2) 6109	12217			
		35000			35000

Rani's a/c

Dr. Cr.

Date	Particulars	Amount	Date	Particulars	Amount
5-10-06	To Bank a/c	5000	1-9-06	By Joint Venture a/c	20,000
5-11-06	To Bank a/c	15500	1-9-06	By Joint Venture a/c	500
30-11-06	To Bank a/c	6416	30-11-06	By Joint Venture a/c	308
			30-11-06	By Joint Venture a/c (profit)	6108
		26916			26916

10/61-17 Ledger of Mahesh

Dr Joint Venture A/c Cr

date	Particulars	Amount	date	Particulars	Amount
1-1-06	To Goods Sent on joint venture A/c	20,000	1-3-06	By Dinesh A/c (Sale)	28000
1-1-06	To Bank A/c	2000	31-3-06	By Dinesh A/c (Remaining stock taken)	4840
1-3-06	To Dinesh A/c (Exp) (Loss)	2800			
31-3-06	To Interest A/c	240			
31-3-06	To Dinesh's A/c	132			
31-3-06	To profit Shared:				
	profit & Loss A/c (3/5)	7768			
	Dinesh A/c (2/5)	[illegible]			
		32840			32840

Dr Dinesh's A/c Cr

1-1-06	To		1-1-06	By Bank A/c (Cash)	10,000
1-3-06	To joint Venture A/c	28000	31-3-06	By joint venture A/c	132
31-3-06	To joint Venture A/c	4840	1-3-06	By joint Venture A/c	2800
			31-3-06	By joint venture A/c (profit)	3884
			31-3-06	By Bank A/c (Balance received)	16124
		32840			32840

Working Notes

Calculation of Interest To Mahesh :-

On Rs 20,000 + 2000 = 22000 Investment Mahesh To get Interest at 8% p.a for 3 month 1-1-06 to 31-3-06 = $22000 \times 8\% \times 3/12$

= 440

Mahesh To pay Interest on Advance Received Rs 10,000 @ 8% for 3 Month from 1-1-06 to 31-3-06 = $10,000 \times 8\% \times 3/12$

= 200

∴ Net Interest Receivable by Mahesh

= 440 - 200

= 240

Calculation of Interest To Dinesh :

On Rs 10,000 Advance at 8% p.a for 3 Months Interest Receivable by Mahesh

= 200

Dinesh Received Rs 28000 from Sale on 1-3-06 ∴ Interest payable by him on 28000 at 8% p.a for 1 Month 1-3-06 to 31-3-06 = $28000 \times 8\% \times 1/12$ - 10% com

= Rs 168

∴ Net Interest Receivable by Dinesh

= 200 - 168 = Rs 32

Stock Taken by Dinesh :-

Cost of 1/5th Stock Taken = (20,000 + 2000)

= $22000 \times 1/5$ = 4400

∴ Dinesh Took stock at cost plus 10%

= 4400 + 10% = 4840

Commission on Sale To Dinesh

= 28000 × 10% = 2800

11/Q-18

Dr Memorandum Joint Venture A/c Cr

date	particulars	Amount	date	particulars	Amount
1-12-05	To Leads A/c	73600	31.12.05	By Leads A/c (Sale)	99,200
5-12-05	To Leads A/c (Exp)	2560	2-1-06	By Tollouis A/c (Sale)	51,000
20-12-05	To Tollouis A/c	62000			
25-12-05	To Tollouis A/c (Exp) (2600+3900)	6500	10-1-06	By Leads A/c (Remaing Two cars Taken)	28000
10-1-06	To Profit Shared :				
	Lead's A/c (3/5) 20124				
	Tollouis A/c (2/5) 13416	33540			
		178,200			178,200

Ledger of Lead

Joint Venture A/c

Date	Particulars	Amount	Date	Particulars	Amount
12-05	To purchase A/c	73600	31-12-05	By ~~Goods~~ Bank A/c (sale)	99200
12-05	To Bank A/c (Exp)	2560			
12-05	To Follows A/c	62000	2-1-06	By Follows A/c (Exp Sale)	51000
12-05	To Follows A/c (Exp 2600 + 3900)	6500	10-1-06	By ~~Goods~~ Cash ~~Stock~~ A/c (Remaing ~~Stock~~ Cash)	28000
1-06	To profit Share of profit & loss A/c (2/5) 13416	33540			
		178200			178200

Follows A/c

12-06	To Bank A/c (Adv)	16500	20-12-05	By Joint venture A/c	62000
1-06	~~To Bank A/c~~		25-12-05	By Joint Venture A/c (Exp)	6500
1-06	To joint venture A/c (Sale)	51000	10-1-06	By Joint Venture A/c (profit)	13416
1-06	To Bank A/c. (Balance payable)	14416			
		81916			81916

LEDGER of Kalyan

12/Gr. 18

Dr — Joint venture a/c

Particulars	Amount	Particulars	Amount
To Sumani a/c (Type writer purchased 20 × 750)	15,000	By Bank a/c (Sales 12 × Rs 2200)	26400
To Sumani a/c (Exp 9000 + 1000 + 200 + 100)	10,300	By Bank a/c (Sale 4 × 2100)	8400
To Bank a/c (Exp 270 + 100 + 250 + 400 + 1200 + 200)	2,420	By Bank a/c (Sale) 3 × 2000 Rs.)	6000
To profit Shared :-		By Type writer a/c	1500
profit & loss a/c (1/2) 7290			
Sumani a/c (1/2) 7290	14580		
	42300		42300

Dr — Sumani a/c

Particulars	Amount	Particulars	Amount
To Bank a/c (Adv)	15,000	By Joint venture a/c	15000
To Bank a/c (Balance paid)	17590	By Joint venture a/c (Exp)	10,300
		By Joint venture a/c (profit)	7290
	32590		32590

Journal Entries

Date	Particulars	L/F	Debit Amount	Credit Amount
	Joint Bank A/c ---- Dr		47000	
	To A's A/c			38000
	To B's A/c			9000
	(Being A Brought in Cash for Rent, Solicitors Charges & To purchase The unsubscribed Shares 30,000. Similary B Brought in Cash for Stamp charges & Registration Fees, Advertising Charges & printing charges & Deposited in Joint Bank A/c)			
	Joint Venture A/c ---- Dr		17000	
	To Joint Bank A/c			17000
	(Being Rent, Solicitors Charges, Stamp Charges Advertising & printing Pounding Charges paid)			
	Joint Bank A/c ---- Dr		9,70,000	
	Shares A/c ---- Dr		30,000	
	To Salem Lamp Ltd A/c			10,00,000
	(Being Subscription Money Received from Public is deposited in Joint Bank Account & out of 10,00,000 Rs 1/- each The unsubscribed Shares 30,000 are Taken over & The Total Amount is due To Salem Lamp Ltd To Fulfil The under writting)			
	Salem Lamps Ltd A/c ---- Dr		10,00,000	
	To Joint Bank A/c			10,00,000
	(Being The under writting contract is fulfilled by paying Salem Lamp Ltd for Garanteeing The issue of There 10,00,000 Share of Rs 1/- Each)			

	Shares A/c ---- Dr To Joint Venture A/c (Being commission for underwriting is receive in 1,50,000 Shares of Rs.1/- each from Salem Ltd)	1,50,000	1,50,000
	A's A/c ---- Dr Joint Venture A/c ---- Dr To Shares A/c (Being 1,20,000 Shares are Sold for 1,10,000 by M/s A & Co loss is charged To Joint venture A/c)	110,000 10,000	1,20,000
	B's A/c ---- Dr Joint Venture A/c ---- Dr To Shares A/c (Being 60,000 Shares are Sold for 55000 by M/s B & Co loss is charged To Joint venture A/c)	55,000 5,000	60,000
	Joint Venture A/c ---- Dr To A's A/c To B's A/c (Being Profit on Joint venture is Shared between A & B Equally)	118,000	59000 59000
	Joint Bank A/c ---- Dr To A's A/c (Being Balance Received from A)	13000	13000
	B's A/c ---- Dr To Joint Bank A/c (Being Balance paid To B)	13000	13000

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c	17000	By Shares A/c	1,50,000
To Shares A/c	10,000		
To Shares A/c	5000		
To profit shared :-			
A's A/c (1/2) 59000			
B's A/c (1/2) 59000	1,18,000		
	150,000		150,000

Dr — A's A/c — Cr

Particulars	Amount	Particulars	Amount
To Shares A/c	1,10,000	By Joint Bank A/c	38000
To ~~Bank~~ A/c (~~Balance paid~~)	~~13000~~	By Joint venture A/c	59000
		By Joint Bank A/c	13000
	1,10,000		1,10,000

Dr — B's A/c — Cr

Particulars	Amount	Particulars	Amount
To Shares A/c	55000	By Joint Bank A/c	9000
To Joint Bank A/c	13000	By Joint venture A/c	59000
	68000		68000

Dr Joint Bank A/c

Particulars	Amount	Particulars	Amount
To A's A/c	38000	By Joint venture A/c	17000
To B's A/c	9000	By Shares A/c	30,000
To Salem lamp ltd A/c	10,00,000	By Salem lamp ltd	10,00,000
To A's A/c	13000	By B's A/c	13000
	10,60000		10600

14/6-19

Working Notes

Valuation of Interest To A

Investment of A on 1-7-06 = 90,000

To 1-12-06 = 90,000 × 6% × 5/12

= 2250 Interest To A

Sale of plot on 1-10-06 To 1-12-06

= 30 × 2000 Sq yard = 60,000 − 2000 (Exp)

= 58000 × 6% × 2/12

= 580

Net Interest Receivable by A = 2250 − 580

= 1670 Net Interest To A

Valuation of commission To B

Sale of Two plot = 60,000 − 2000 (Exp)

= 58000

Sale of 4 plot = 100000 + 58000 2 plot

Total Sale = 158000 × 1%

= 1580 Net commission To B

Memorandum Joint Venture A/c

Date	Particulars	Amount	Date	Particulars	Amount
7-7-06	To A's A/c	90,000	1-10-06	By A's A/c (Sale (2000 × 30 per Sq Yard)	60,000
1-7-06	To B's A/c	1000	1-12-06	By A's A/c (4000 × 25 per Sq)	100,000
1-10-06	To A's A/c (1000 per plot × 2)	2000			
1-12-06	To A's A/c (Interest 6%)	1670			
1-12-06	To B's A/c (Commission 158000 × 1%)	1580			
1-12-06	To profit Shared: A's A/c (3/4) 47812 B's A/c (1/4) 15938	63750			
		1,60,000			1,60,000

Dr A's A/c

Date	Particulars	Amount	Date	Particulars	Amount
1-10-06	To Memorandum Joint venture A/c	60,000	7-7-06	By Memorandum Joint Venture A/c	90,000
1-10-06	To Memorandum Joint Venture A/c	100,000	1-7-06	By Memorandum Joint Venture A/c	2000
			1-12-06	By Memorandum Joint Venture A/c	1670
			1-12-06	By Memorandum Joint venture A/c	47812
			1-12-06	By Memorandum Joint venture A/c	18518
		160000		By Bank A/c (Bal paid)	160000

Dr B's A/c

Date	Particulars	Amount	Date	Particulars	Amount
1-12-06	To Bank A/c (Balance paid Received)	18518	1-7-06	By Memorandum Joint Venture A/c	1000
			1-12-06	By Memorandum Joint venture A/c	1580
			1-12-06	By Memorandum Joint Venture A/c	15938
		18518			18518

15/6-20

Dr Memorandum Joint venture A/c

particulars	Amount	particulars	Amount
To A's A/c	30,000	By A, B, C's A/c Joint Bank A/c	1,25,000
To B's A/c	20,000		
To C's A/c	10,000	By Joint Bank A/c	1,25,000
To Joint Bank A/c (Machine purchased)	50,000		
To Joint venture A/c	1,25,000		
To A's A/c (Exp)	2450		
To B's A/c (Exp)	1250		
To C's A/c (Exp)	1250		
To profit shared:-			
A's A/c (6/10) 42030			
B's A/c (3/10) 21015			
C's A/c (1/10) 7005	70,050		
	125000		125000

Dr A's A/c

To Bank A/c Joint Bank A/c (Balance paid)	74480	By Joint Bank A/c	30,000
		By Joint venture A/c	2450
		By Joint venture A/c (profit)	42030
	74480		74480

B's A/c

Amount	Particulars	Amount	Particulars	Amount
~~25,000~~	To Joint Bank A/c	42265	By Joint Bank A/c	20,000
25000			By Joint venture A/c	1250
			By Joint venture A/c (profit)	21015
		42265		42265
25000				

C's A/c

30,000	To Joint Bank A/c	18255	By Joint Bank A/c	10,000
2450			By Joint venture A/c	1250
42030			By Joint venture A/c (profit)	~~21015~~ 7005
74480		18255		18255

Dr

Joint Bank A/c

Particulars	Amount	Particulars	Amount
To A's A/c	30,000	By Joint venture A/c	50,000
To B's A/c	20,000	By A's A/c	74480
To C's A/c	10,000	By B's A/c	42265
To Joint Bank A/c	1,25,000	By C's A/c	18255
	185000		1,85,000

16/6/20

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Wages paid)	30,000	By Joint Bank A/c	80,000
To Joint Bank A/c (Material purchased)	70,000	By Shares A/c	20,000
To A's A/c (Material sup)	5000	By B's A/c (Remaining Stock Taken)	3000
To B's A/c (Material sup)	4000	By Loss Shared :-	
To A's A/c (Architect fees paid)	2000	A's A/c (2/3) 8000	
To Shares A/c	4000	B's A/c (1/3) 4000	12000
	115000		1,15,000

A's A/c

Particulars	Amount	Particulars	Amount
To Shares A/c	16,000	By Joint Bank A/c	25000
To Joint Venture A/c (Loss)	8000	By Joint Venture A/c	5000
To Joint Bank A/c	8000	By Joint Venture A/c	2000
	32000		32000

Dr

B's A/c

Particulars	Amount	Particulars	Amount
To Joint venture A/c	3000	By Joint Bank A/c	15000
To Joint venture A/c (Loss)	4000	By Joint venture A/c	4000
To Joint Bank A/c	12000		
	19000		19000

Dr

Joint Bank A/c

To A's A/c	25000	By Joint venture A/c	30,000
To B's A/c	15000	By Joint venture A/c	70,000
To Joint venture A/c	80,000	By A's A/c	8000
		By B's A/c	12000
	1,20,000		12000

Dr

Share's A/c

To Joint venture A/c	20,000	By A's A/c	16000
		By Joint venture A/c	4000
	20,000		20000

2/6-20

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Wages paid)	270,000	By Joint Bank A/c	7.20,000
To Joint Bank A/c (Material Brought)	6,30,000	By Shares A/c	1,80,000
To Jolly's A/c	45000	By Happy's A/c (Remaining stock Taken)	27000
To Happy's A/c	36000	By Loss Shared :-	
To Jolly's A/c	18000	Jolly's A/c (2/3) 72000	
To Shares A/c	36000	Happy's A/c (1/3) 36000	108,000
	10,35,000		10,35000

Jolly's A/c

Particulars	Amount	Particulars	Amount
To Shares A/c	1,44,000	By Joint Bank A/c	225000
To Joint Venture A/c (Loss)	72000	By Joint Venture A/c	45000
To Joint Bank A/c	72000	By Joint Venture A/c	18000
		By Joint Venture	
	288000		288000

Happy's A/c

Dr

Particulars	Amount	Particulars	Amount
To Joint venture A/c	27000	By Joint Bank A/c	135000
To Joint venture A/c (Loss)	36000	By Joint venture A/c	36000
To Joint Bank A/c	108000		
	1,71,000		1,71,000

Joint Bank A/c

Dr

Particulars	Amount	Particulars	Amount
To Jolly's A/c	2,25,000	By Joint venture A/c	2,70,000
To Happy's A/c	1,35,000	By Joint venture A/c	6,30,000
To Joint venture A/c	7,20,000	By Jolly's A/c	72000
		By Happy's A/c	108000
	1080000		10,80,000

Share A/c

Dr

Particulars	Amount	Particulars	Amount
To Joint venture A/c	1,80,000	By Jolly's A/c	144000
		By Joint Venture A/c	36000
	180000		180000

Joint Venture a/c

Amount	Particulars	Amount	Particulars	Amount
135000				
36000				
1,71,000				
2,70,000				
6,30,000				
72000				
108000				
980,000				
44,000				
36000				
80000				

18/6/21

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Salaries)	8000	By Varmai A/c (Remaing Stock Taken)	11000
To Joint Bank A/c (wages)	46000	By Joint Bank A/c	20,000
To Joint Bank A/c (material purchased)	1,10,000	By Joint Bank A/c	250,000
To Varmai A/c (Material Supplied)	9000		
To Manik A/c (Material Supplied)	8000		
To Joint Bank A/c (Architect Fee paid)	7000		
To Joint Bank A/c (cartage)	12000		
To Joint Bank (Machinery)	25000		
To Varmai A/c (Est Exp 12000 × 8/12)	8000		
To profit Shared : Varmai A/c (1/2) 32000			
Manik A/c (1/3) 16000	48000		
	281000		281000

Varmai A/c

To Joint Venture A/c	11000	By Joint Bank A/c	50,000
To Joint Bank A/c (Balance paid)	88000	By Joint Venture A/c	9000
		By By Joint Venture A/c	8000
		By Joint Venture A/c (profit)	32000
	99000		99000

Mani's A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Balance paid)	49000	By Joint Bank A/c	25000
		By Joint Venture A/c	8000
		By Joint venture A/c (profit)	16000
	49000		49000

Joint Bank A/c

Particulars	Amount	Particulars	Amount
To Varma's A/c	50,000	By Joint Venture A/c	8000
To Mani's A/c	25000	By Joint venture A/c	46000
To Joint venture A/c (Mixture plant sold)	20,000	By Joint Venture A/c	1,10,000
		By Joint venture A/c	7000
To Joint venture A/c (consideration Received)	2,50,000	By Joint venture A/c	12000
		By Joint venture A/c	25000
		By Varma's A/c	88000
		By Mani A/c	49000
	345000		345000

19/4-22 Joint Venture A/c

Particulars	Amount	Particulars	Amount
To purchaser A/c		By Joint Bank A/c (Timber Sale)	2000
5000 x Rs 3 per Sq yard	54000	By Joint Bank A/c (10 plot x Rs 12)	60,000
To Joint Bank A/c (Earth filling)	14000	By A's A/c	5000
Joint Bank A/c (hut dwellers)	5000	By Joint Bank A/c	76,200
Joint Bank A/c (M.C + Fee)	2000		
To Joint Bank A/c (Fencing)	3000		
To Joint Bank A/c (Survey fee)	1000		
To Joint Bank A/c (Sales Exp)	6000		
To Joint Bank A/c (Ly. Exp)	2000		
To Joint Bank A/c (Broker)	1200		
To Profit Shared :-			
A's A/c (3/5) 33000			
B's A/c (2/5) 22000	55,000		
	1,43,200		1,43,200

A's A/c

Particulars	Amount	Particulars	Amount
To Joint Venture A/c	5000	By Joint Bank A/c	60,000
To Joint Bank A/c (Balance paid)	88000	By Joint Venture A/c (profit)	33000
	93000		93000

Dr

B's A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Balance paid)	62000	By Joint Bank A/c	40,000
		By Joint venture A/c (profit)	22000
	62000		62000

Dr

Joint Bank A/c

To A's A/c	60,000	By Joint venture A/c	14000
To B's A/c	40,000	By Joint venture A/c	5000
To Joint venture A/c	2000	By Joint venture A/c	2000
To Joint venture A/c	60,000	By Joint venture A/c	3000
To Joint venture A/c	76200	By Joint venture A/c	1000
		By Joint venture A/c	6000
		By Joint venture A/c	2000
		By Joint venture A/c	12000
		By A's A/c	88000
		By B's A/c	62000
		By Joint venture A/c	54000
	238200		238200

Working Notes

Valuation of profit sharing Ratio

A = 60,000 B = 40,000

A : B

= 60,000 : 40,000

= 3 : 2

= 3 : 2

A share profit at the Ratio of 3/5

B share profit at the Ratio of 2/5

Joint venture

20/6-22 ~~Journal~~ Entries

Date	Particulars	L/F	Debit Amount	Credit Amount
	Joint Venture A/c ---- Dr		1,50,000	
	To D's A/c			1,25,000
	To A's A/c			25,000
	(Being Goods purchased from D & A on credit for Joint Venture)			
	Joint Bank A/c ---- Dr		160,000	
	To D's A/c		30,	30,000
	To B's A/c		-	40,000
	To C's A/c			90,000
	(Being Cash introduced by D, B & C into the Joint Bank A/c)			
	D's A/c ---- Dr		1,25,000	
	To Joint Bank A/c			1,25,000
	(Being D's is paid off)			
	Joint Venture A/c --- Dr		7500	
	To Joint Bank A/c			7500
	(Being Expenses on Joint Venture paid)			
	Joint Bank A/c --- Dr		65000	
	C's A/c ---- Dr		140,000	
	To Joint venture A/c			205000
	(Being ~~Sale~~ Joint venture Goods are sold partly for Cash & partly on credit C)			
	Bills Receivable A/c -- Dr		140,000	
	To C's A/c			1,40,000
	(Being C's Acceptance Received in Settlement of his Account)			

	Joint Bank A/c ---Dr		137000	
	Joint venture A/c ---Dr		3000	
	To Bills Receivable A/c			140,000
	(Being C's Acceptance for Discounted with Bank & The Discount is charged To Joint Venture A/c)			
	Joint Venture A/c ---Dr		10250	
	To A's A/c			10,250
	(Being on Sales 2,05000 x 5% = 10250 Charged by A To Joint Venture account)			
	Joint venture A/c ---Dr		34250	
	To A's A/c			11416
	To B's A/c			11417
	To C's A/c			11417
	(Being profit on Joint Venture Shared Equally)			
	A's A/c ---Dr		76666	
	B's A/c ---Dr		91417	
	C's A/c ---Dr		101417	
	To Joint Bank A/c			229500
	(Being coventures are paid off)			

Dr

Joint Venture A/c

Particulars	Amount	Particulars	Amount
To D's A/c	125,000	By Joint Bank A/c	65000
To A's A/c	25000	By E's A/c	140000
To Joint Bank A/c (bal)	7500		
To Bills Receivable A/c	3000		
To A's A/c	10250		
To Profit Shared :-			
A's A/c (1/3) 11416			
B's A/c (1/3) 11417			
C's A/c (1/3) 11417	34250		205000
	205000		

D's A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Balance paid)	76666	By Joint venture A/c	25000
		By Joint Bank A/c	30,000
		By Joint venture A/c	10250
		By Joint venture A/c (profit)	11416
	76666		76666

B's A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Balance paid)	51417	By Joint Bank A/c	40,000
		By Joint venture A/c (profit)	11417
	51417		51417

C's A/c

Particulars	Amount	Particulars	Amount
To Joint Bank A/c (Balance paid)	101417	By Joint Bank A/c	90,000
		By Joint venture A/c (profit)	11417
	101417		101417

Dr

Joint Bank A/c

Particulars	Amount	Particulars	Amount
To D's A/c	30,000	By D's A/c	25000
To R's A/c	40,000	By Joint Venture A/c	7500
To C's A/c	90,000	By D's A/c	16666
To Joint Venture A/c	65000	By R's A/c	51417
To Bills Receivable A/c	137000	By C's A/c	10417
	362000		362000